

**Amend Section 215.1 of the Revenue and Taxation Code, related to the Veterans' Organization Exemption, to add a cross reference to the administrative procedure necessary to obtain the exemption.**

**Source: Property and Special Taxes Department**

### **Existing Law**

Revenue and Taxation Code Section 215.1 provides for the exemption of all buildings, and the real property required for the convenient use and occupation of the exempt buildings, owned by a veterans' organization which has been chartered by the Congress of the United States and is organized and operated for charitable purposes. This exemption is popularly known as the "veterans' organization exemption" and it is jointly administered by the Board and the local county assessor.

Senate Bill 1062 (Ch. 471, Stats. 2003) and Senate Bill 1607 (Ch. 224, Stats. 2006) amended various statutory provisions related to both the welfare exemption and the veterans' organization exemption to streamline the administration of these exemptions by eliminating duplicative review functions performed by the assessors and the Board. After the streamlining, first effective with claims filed on or after January 1, 2004, the Board determines whether an organization is eligible to receive the veterans' organization exemption and the county assessor determines whether the use of the property is eligible for the exemption. If the Board determines that an organization is eligible, the Board issues an Organizational Clearance Certificate for the claimant to provide with exemption claim forms filed in any of the 58 counties where the veterans' organization might own property. Sections 254.5 and 254.6 expressly provide that the Board staff review claims for organizational clearance certificates for the veterans' organization exemption and issue the certificates to organizations that meet the requirements of Section 215.1.

Claims for the veterans' organization exemption are filed annually with the county assessor in the county in which the organization's property is located. Claims are made on form [BOE 269-AH \(Claim for Veterans' Organization Exemption\)](#). The assessor may not grant a claim unless the organization first acquires a valid Organizational Clearance Certificate issued by the Board, so it is important that veterans' organizations are aware of this necessary first step.

### **This Proposal**

This proposal simply adds a reference to reflect the changes made to the administration of the veterans' organization exemption. Specifically, Section 215.1 would be amended to add a cross reference to the required organizational clearance certificate to ensure that veterans' organizations seeking the exemption are aware of the need to obtain the certificate.

*Section 215.1 of the Revenue and Taxation Code is amended to read:*

215.1. All buildings, and so much of the real property on which the buildings are situated as may be required for the convenient use and occupation of said buildings, used exclusively for charitable purposes, owned by a veterans' organization which has been chartered by the Congress of the United States, organized and operated for charitable purposes, when the same are used solely and exclusively for the purpose of such organization, if not conducted for profit and no part of the net earnings of which inures to the benefit of any private individual or member thereof, shall be exempt from taxation.

The exemption provided for in this section shall apply to the property of all organizations meeting the requirements of this section and subdivision (b) of Section 4 of Article XIII of the California Constitution and paragraphs (1) to (7), inclusive, of subdivision (a) of Section 214. The organization shall file with the assessor a valid organizational clearance certificate issued pursuant to Section 254.6.

This exemption shall be known as the "veterans' organization exemption."